WASHINGTON, MONDAY EVENING, DECEMBER 16, 1907.

PRICE ONE CENT

# SAYS GAS PLANT IN GEORGETOWN IS OVERVALUED

Attorney Thomas, Argu-Investigation to Discover ing Against Auditor's Report, Declares Payne Erred.

Asserts Good Will and Abolition of Board for Franchise Cannot Be Considered Assets.

the approval of the report of Auditor Payne, as to the valuation of the George town gas plant, were allowed to pro eed before Justice Gould this morning, the court announced that decision would be reserved until after January 7. This is on account of the fact that the petition filed by Corporation Counsel Thomas denying the jurisdiction of Justice Gould's court in the gas hearing vill be decided by the higher court on that date. Attorneys E. H. Thomas and Stuart McNamara appeared to protest

Stuart McNamara appeared to protest against the approval of the Payne report today. Mr. Thomas concluded his argument shortly before the morning session adjourned, and Attorney Thomas Duniap opened for the gas company. The Payne report values the plant at \$470,000, and although Mr. Perry, attorney for the gas company, explained it was now contemplated to increase the stock only to \$390,000, the court would eventually be asked to give authority for a full increase to the amount named by Auditor Payne.

## Where Payne Erred.

Corporation Counsel Thomas, in pecuing to the confirmation of Auditor Payne's report by the court, argued that the auditor had erred in the fol-

That he should not have included in

That he should not have included in his appraisement the value of the franchise, good will, lands, and working capital of the Georgetown company. These, Mr. Thomas insisted, did not come under the head of "plant," as designated by the act of Congress under which the gas company is asking to increase its capital stock.

Further in finding that it was the purport of the act of Congress to offer protection to the public and individuals dealing in or with the stock of the petioner; "that the auditor should have found that it was the intent of the act of Congress to restrict the meaning of the word 'plant' in favor of the public and to prevent a valuation which would attow ain increase and defeat the reduction of the price

# Physical Make-up of Plant.

Mr. Thomas argued that the "plant of the company included only the buildings, foundations for the apparatus ferming part of the manufacturing and distributing stations, the apparatus, the gas holders, the general connections at

Instead of this, Mr. Thomas said, the auditor had included in his estimates the following, which should be eliminated; Land, to the value of \$42,823.90; street mains, \$67,000.60; street lamp services, valued at \$5,950; lamp posts, \$1,575; consumers' meters and connections, \$18,623; working capital, \$30,000, and value of franchise, \$66,661.

The auditor had further erred, Mr. Thomas argued, in denying the petition of Mr. Thomas that he should require the company to show whether the original cash capital of \$15,000 was paid in cash, or property, and also in refusing to require the company to furnish a statement of the dividends paid and demanding also a statement showing the charges; carnivarence of the dividends paid and emanding also a statement showing the charges, carnings, and operating expenses of the company for the five years next preceding the filing of the petition.

# Evidence of Cash.

"The auditor also erred," said Mr Thomas, "in not finding that there was no legally sufficient evidence of the cash value of the plant of the petitioner at the time the act of Congress mentioned was approved, and in not finding that there was no evidence showing the actual cash value of the said plant."

The Corporation Counsel said the auditor had also failed to find out what the cost of future improvements and con-

cost of future improvements and constructions would be, which Mr. Thomas claimed was the only basis for the court's jurisdiction in this case.

Mr. Thomas held that in the valuation set by the auditor of \$470,000 he had disregarded the testimony of expert testimony which contemplated the word "plant" as meaning only the four things stated by Mr. Thomas, and had instead included in the amount franchise, good will, and other things not permissible under the act.

# WOMAN AS SHE SLEEPS

BRUSSELS, Dec. 16 .- A charwoman coming to make fires at the home of 1 p. m... M. and Mme. Delporte, at Chimay, south Belgium, found the wife dead and 

# SCHOOL INQUIRY TO BE STARTED BY THE SENATE

Faults in System to Begin After Christmas Recess.

One-Man Authority Discussed by Legislators.

All indications now point to a serious nvestigation of the school situation in mittee after the holiday recess. It will be undertaken, according to good authority, not so much to get at the merits of the case against Dr. Chancellor as to see what is at fault in the District school system and management, and with a view to reorganization of the present method of control of the schools

Reorganization Sentiment Strong. Reorganization is talked so emphati Senate District Committee members that there is no longer any question the movement in this direction has great strength. Various plans of reorganiza-tion are talked of.

## May Abolish Board.

One that is known to find great favor of the Senate District Committee is to abolish the present board and have the schools in control of a superintendent of education who shall be the supreme authority. The superintendent would be selected, according to this plan, by the Government Commissioner of Education.

## One Man Authority Needed.

Another plan, much talked of, is

enator Tillman's address on the financial situation was the feature of the

Among District bills Senator Gallinger ing the construction of temporary railway tracks to the Union Station. Senator Culverson presented a resolution directing the Senate Finance Committee to inquire as to the cause of the present financial stringency. On objection by Senator Penrose this went over until tomorrow. Senator Newlands gave notice that Tuesday he would address the Senate oa a bill for an inland waterway. Senators Gore and Owen, the new Senators from Oklahoma, were sworn in as members of the Senate.

as members of the Senate.

A great number of bills were introduced, one of them by Senator Smoot being a new copyright bill.

# IN THE HOUSE.

Mr. Bennett of New York was sworn Motion was adopted to adjourn for the

standing committees.

Mr. Mann of Illinois secured permis- one great salute, each vessel firing in not surrender himself until the proper

## CONGRESS TAKES HOLIDAY FROM DEC. 21 TO JAN. 6

from December 21 to January 6.
A resolution to this effect was adopted by the House today. The Senate will adopt it this afternoon.

# THE WEATHER REPORT.

Stockholders Not Consulted.

Mr. Payne was also at fault, Mr. Thomas held, in not requiring proof to be offered that the proposition to increase the capital stock had been submitted to and approved by the stockholders of the company.

Finally, he held that the court had no jurisdiction in the matter, and excepted on general grounds to the court confirming the report. The act of June 30, 1896, was unconstitutional and void it was held, in that it attempted to impose upon a judicial tribunal a nonjudicial function.

"I insist, your honor," said Mr. Thomas, during his argument, "that this legislation is favorable to the gas companies, and should by no means be liberally construed."

CHRYSANTHEMUMS KILL

WOMAN AS SHE SLEEPS

TEMPERATURE.

# FLEET STEAMS SOUTHWARD AS CANNONS FIRE SALUTE TO COMMANDER-IN-CHIEF

Why Is It Going?

To demonstrate to the world America's naval prowess?

To show Congress the need of a still greater navy, in order to protect equally the Atlantic and Pacific coasts?

To show Congress the neces sity of more navy yards and bet-ter docking facilities on the Pa-cific coast?

To drill the officers and men in hattle formations, and general fleet maneuvers on a large scale? To strengthen the Monroe Doc-trine, by showing our South American cousins the power back

To restore to the United States the balance of international naval power in the Pacific ocean?
To be ready for possible war
with Japan?



Rear Admiral Charles M. Thomas on the Minnesota.

# What Congress Did Today. MASS OF HUMANITY

Grand Review by Presi- Hides in New York While dent Precedes Start in Single File.

FORT MONROE, Va. Dec. 16.-The

Christmas holidays from December 21 the great vessels steamed in single file on a charge of insanity. until January 6.
A motion by Mr. Dalzell was adopted to increase the membership of the which President Roosevelt stood, and saluted them one by one. There was which President Roosevelt stood, and saluted them one by one. There was that he was in New York but would sion to have a partial report of the Committee of the House Office Building printed in the Record.

Adjournment was taken until noon next Thursday.

one great salute, each vessel firing in its turn. There was one great diapason of thirty-six guns, and the rumble and roar echoed and re-echoed over the water and among the hills as the fleet

Following the flagship they turned Congress will take a holiday this year ed their depart ure. Then they were lost to view.

# Crowds Bid Farewell.

On shore there were relatives of a great many of the 12,000 men on the tears, many expressions of feature, and take her life in written comm were the fine, tender features of a sent through the mall, but that he great scene—one of the most remarkable pictures ever formed by naval maneuvers anywhere in the world.

The start, which was under President Roosevelt's personal direction; was her. most brilliant and impressive. Immediately there was great activity on conveyed a message to all the vessels, and immediately the cruisers were flung

made earth and water tremble, and was 4:39 | deafening.

Mrs. Dunphy's Detectives Seek Him.

NEW YORK, Dec. 16.-Frank Drugan, former Jesuit scholastic, who has sued great fleet of battleships is now on Mrs. Emily F. Dunphy for \$100,000 in a its cruise to the Pacific coast-perhaps suit in which he charges her with ruinfurther. After a review by President Roosevelt which she had obtained for his arrest

> That Drugan was in hiding was ad time arrived. In the meantime, a half dozen county

detectives, backed by a warrant issued passed out to sea between Cape Charles ing the city for the young man who accuses his pretty cousin of having been the cause of his withdrawal from the southward, and became smaller and smaller to the eyes of those who watcha priest.

W. A. Stump, who is representing Mrs. Dunphy in the absence of her chief counsel, Judge Beall, correborated the statement that every effort is being made to locate the plaintiff in the suit. ships-mothers, wives, and sweethearts. He insists that Drugan is a lunatic, Naturally they were greatly affected by and, like his client, he asserts that mingled emotions. They were sad at they have documentary proofs. This parting, over-fearsome for the safety of attorney also says that they are prethe men, and, of course, proud of their pared to prove, through Mrs. Dunphy, railors. These emotions meant many that Drugan not only threatened to pared to show, he says, that Mrs. Dunphy forcibly took a revolver away from Drugan after he had threatened to kill

It is declared that Mrs. Dunphy and cruiser-yacht Mayflower, with the Chief her husband, John James Dunphy, were Executive aboard, was sight at 7 o'clock. about to become reconciled after a her husband, John James Dunphy, were separation of nearly two years, when the ships of the fleet. Wig-wag signals Drugan began to prepare his sensational conveyed a message to all the vessels. \$100,000 suit, alleging assault. It is said conveyed a message to all the vessels, and immediately the cruizers were flung out. The transformation was bewildering.

When the Mayflower was near enough to be introduced according to naval etiquette the whole fleet fired a salute of twenty-one guns.

The roar shattered the atmosphere, made earth and water tremble, and was deafening.

Mayflower Takes Center.

The firing was at intervals of five seconds, but with all the vessels firing at one time, the guns made one construction.

(Continued on Second Page.)

Signand: It is said brughly, the estranged husband, and recited the detailed by to increase the membership of practically all the big standing committees by one.

This was done in order to give the bean-time become in the brughly of the propriations is the only one whose membership in the House on the light of the propriations is the only one whose membership is not increased. The Committee on Appropriations is the only one whose membership of practically all the big standing committees by one.

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Rear Admiral Emory and His Staff on the Georgia, Flagship of the Second Division. Reading From Left-Rear Admiral Emory, Captain McCrea, Commander of Battleship; Lieutenant Henderson and Lieutenant Hutchins.

# SWORN BY COUSIN AGAINST MEASURES CORTELYOU TRIED

# Notes Which He Calls Aid to Speculators.

rogation point and political catapult, "Ben" Tillman, of South Carolina, this afternoon, in the Senate, crashed with terrific oratorical force into the Administration's financial policy.

The doughty warrior of many sensa tional campaigns against the national bank system, ripped and tore with frenzied efforts at the bulwarks that Secretary of the Treasury Cortelyou had constructed to relieve a tight money market.

He assailed the legality of the re cent issue of canal bonds and certificates of indebtedness, and characterized gency act, so that he might pour more Government money into Wall Street,

# INCREASES COMMITTEES

On the motion of Mr. Dalzell of Pennsylvania, the House voted unanimously today to increase the membership of

Questions Legality of Gore and Owen, of Oklahoma, Draw Lots and Latter Wins.

> Senators Owen and Gore of Oklahoma drew lots at the opening of the Senate stopping one after it has occurred. session today to determine to what Senatorial class they should be astheir terms of service.

> eyes, won the drawing, over Senator Gore, who is totally blind. Gore, who is totally blind.
>
> Accordingly, Senator Owen drew a full this plan. Had we had such a bank six-year term, expiring in 1913, while in operation in the fall of 1907 no Senator Gore's term expires in 1909.

It was an unusually interesting and dramatic drawing for places, because have been possible. one of the contestants is the only blind his representative, while Senator Owen, and we shall have panic after panic Government money into Wall Street, chose Senator Money of Mississippi. Orafter the overflowing Treasury had been inarily a new Senator is presented at drained, as "an aid to speculators who the bar of the Senate by his colleague, were plunging a prosperous country into but in the case of a new State present-only efficient, scientific, and proper a name." During his attack, he resorted to his ing two new Senators at the same time means to protect our people in busieach selected an escort from the body

each selected an escort from the body of the Senate.

All eyes were on Senator Gore as he came through the Senate on the arm of Senator Culberson, and the murmurs that went through the gallerles made it plain that it was hoped that the blind man would draw the long term.

The two new Senators were first swern in and then arrangements were made for the drawing, under the resolutions. Silps of paper were put into a box, one indicating the long term, ending 1913, and the other the short

ending 1909. Senator Gore drew

Thursday, so as to allow them plenty of time to buy heir Christmas gifts. The House adopted a resolution to this ef-

# CENTRAL BANK IS SOLUTION

-Comptroller Ridgely

Would Be Permanent Safeguard Against Panics.

Is the Only Way to Guarantee Cash Reserve.

Says Trouble to Bankers' Lack of Confidence.

## RIDGELY'S VIEWS ON MONEY PANIC

There has been more of a panic among the banks than the people. The remedy for the currency famine is to improve the reserve system so that deposits can be kept where they are surely and certainly available.

We must impart to our currency system some element of elasticity, so that when there comes a demand for currency it can be supplied with bank notes without depleting the supply of reserve money.

The only way to make our financial system what it should be is through the agency of a national governmental bank.

Establishment of a central na ional bank of issue and reserve in Washington as the only remedy and preventative of disastrous financial panics is again recommended by Comptroller of the Treasury Ridgely in his annual report made public

For several years past Mr. Ridgely has made this recommendation in his annual report, and has included the suggestion in the majority of his speeches during the past five years. Today, however, he argues with more forcefulness than ever, and declares the inauguration of such an institution is the one thing that will keep the country off the reefs of financial ruin.

# Useless to Dodge Issue.

"It is useless to try to evade this question or dodge the issue," said Comptroller Ridgely. "The need is far more for something that will prevent emergencies and panies than for devices to be employed in

"The only way to make our syssigned, and thereby fix the length of tem what it should be is through the agency of a national govern-Senator Owen, who has two very good mental bank. Every country of commercial importance has adopted such panic as we have had would

"Unless we do something of this man ever elected to the Senate. He se- kind we shall always be in danger man ever elected to the same of Texas as of a recurrence of the same thing,

that there has been more of a panic among the banks than among the peo-After a few moments, hesitation the secretary announced the result, as algests immediate Congressional currency legislation to avert a repetition of the greatest panic in the history of the greatest panic in the history of the

> "If a bill should be passed by Congress providing for some emergency issue of currency through the clearing house associations or other machinery now organized and existing, so that the action might promise to be very prompt

House adopted a resolution to this effect, which was introduced today by Mr. Tawney of Minnesota.

"If the action taken should meet with such approval and indorsement as to convince bankers and business men that it would meet the emergency, it might operate as the suspension of the bank act has done in England on several oc-

(Continued on Ninth Page.)